

wealthiest among us. I think it makes sense, at a time of high deficits and a debt problem that will confront us for years, that we have some part of that revenue come from the wealthiest among us. People across the aisle might disagree with that. We can have a big debate about that. But let's put in place, in law, the kind of certainty middle-income families should have. I think we can do that. So let's get in place an agreement for the 98 percent, and then we will have a big debate about the wealthiest 2 percent. Let's get in place tax rates that will allow us to do that.

I think a little history is instructive. We know that in the 1990s and the 2000s, we know there is, according to the data, no relationship between lower marginal rates for the wealthiest among us and faster accelerated economic growth. I emphasize no relationship because I think some have made the case.

Two examples. During the Clinton administration, to address the growing budget deficit at the time, which was not as severe as today, but it was a pretty substantial deficit, the top marginal tax rate was raised. It went up on the wealthiest individuals. The economy grew at the fastest rate in a generation and more than 22,000 jobs were added.

So that is what happened during President Clinton's two terms in office. During the following 8 years, the top marginal rate was lowered—not raised but lowered—for the wealthiest individuals. The economy never regained the strength of the previous decade, the 1990s. Job growth slowed and wages stagnated, leaving middle-income families especially vulnerable when the great recession began toward the end of 2007.

That is some of the history. That is part of the foundation or undergirding for the debate we are going to have on tax rates. This is not a lot of theory or a lot of maybes. We have data and information and kind of a track record trying it two different ways, the way we tried this under President Clinton and the way we tried it under the next administration. I think that is instructive.

Finally, I would say that for all the challenges we have, for all the disagreements we have, I think most people in the Senate, no matter who they are—Democrats, Republicans, Independents—whether they were running for office this year or not, all heard the same message. They all heard maybe two basic messages from people. At least that is what I heard in Pennsylvania, all across the State, for longer than 2012 but certainly most fervently with a sense of urgency this year.

Here is what I heard, a two-part message: Do something to create jobs or do more to create jobs, move the economy faster. No question, I heard that over and over. Soon thereafter, within seconds of saying that, families or taxpayers whom I ran into across the

State would say to me: You have to work together with people in the other party to get this done.

You know why they say that. That is not some unreal expectation that the American people have of us. It makes a lot of sense. Because in every family out there, whether it is in Pennsylvania or across the country, in every business, small business or larger business, in every one of those circumstances, in a family or in a business, those individuals have had to sit down over the last couple years especially, work out differences, set priorities, set goals, reduce spending sometimes, make investments they knew they needed to make to grow their business or to create more economic certainty for their family.

They have had to do that. All they are saying to us is just take a lesson from the life of a lot of families in America. Sit down, set priorities, work on coming together, and get an agreement. I think we can do that. Despite all the differences, I think both parties understand the urgency of those questions, whether it is the tax rates, whether it is across-the-board spending cuts, which would be indiscriminate and harmful, whether it is what we do about individual programs, what we do in the near term to reduce deficit and debt.

We have to come together, as families have to come together, and make agreements with people whom we are sometimes disagreeing with or not getting along with every day of the week and make decisions that businesses have to make almost every day of the week or at least every month on their spending, on their priorities and on their investments.

I think we can do that. I know we have to do that.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Senate be in recess until 2:15 p.m.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:24 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. WEBB).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2013—MOTION TO PROCEED—Continued

Mr. WHITEHOUSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SCHUMER. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FISCAL CLIFF

Mr. SCHUMER. Mr. President, I rise to discuss the state of the ongoing negotiations to avert the fiscal cliff.

So far there has been little progress reported at the negotiating table. Since the President's very productive meeting with the bipartisan leaders from the House and Senate on November 16, the subsequent staff talks have produced no breakthroughs. Republicans in the room are not yet acknowledging the need to let tax breaks for the very wealthiest Americans expire, nor are they offering the kind of reasonable reforms to entitlement programs that Democrats can be expected to support.

But despite this impasse, as Leader MCCONNELL described it on the floor yesterday, I am optimistic we can still get a deal by Christmas. I detect a great deal of progress being made beneath the surface. You only need to turn on television these past couple of days to observe the signs of this progress.

For nearly three decades, a rightwing Washington lobbyist has exerted a stranglehold on mainstream Republicans over the issue of taxes, threatening political retaliation against any lawmaker who dared to vote for any fiscal solution that asked the wealthy to pay their fair share. But in the 3 weeks since the election, one Republican after another has been rebuking this lobbyist for his uncompromising stance on taxes. Republicans in both the House and Senate are deciding they no longer want to be married to this pledge. Republicans are saying they want a divorce from Grover Norquist. That alone is a leading indicator that a fiscal deal is within reach. Both sides are still far apart and discussions over the next few weeks will be difficult. But with each new Republican disavowing Grover Norquist, the chance of a deal rises sharply.

First there was SAXBY CHAMBLISS, an honorable Member of this body and a charter member of the Gang of Six, who has spent the last 2 years trying to negotiate a bipartisan compromise in the best of faith. Senator CHAMBLISS is a signer of the Norquist pledge, but he went on TV—not somewhere else but down in Georgia—last week and bravely said:

I care about my country more than I do about a 20-year-old pledge.

Then on ABC this past Sunday, LINDSEY GRAHAM said:

The only pledge we should be making is to each other to avoid becoming Greece.

On the very same program, my friend from New York, Congressman PETE